

LEND-LEASE SETTLEMENT

*Agreement signed at Washington June 28, 1946*¹

Entered into force June 28, 1946

60 Stat. 1797; Treaties and Other
International Acts Series 1537

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED STATES OF BRAZIL ON THE DISPOSITION OF LEND-LEASE SUPPLIES IN INVENTORY OR PROCUREMENT IN THE UNITED STATES OF AMERICA

The United States of America and the United States of Brazil in order to provide for the orderly disposition in their mutual interests of the undelivered articles which were in inventory or procurement in the United States of America, prior to September 2, 1945, for the purpose of providing mutual defense aid to the United States of Brazil under the Act of March 11, 1941,² as amended, agree as follows:

ARTICLE I

All articles and services undertaken to be provided by the United States of America under this Agreement shall be made available under the authority and subject to the terms and conditions of the Act of March 11, 1941, as amended, and any acts supplementary thereto.

ARTICLE II

Within such periods as may be authorized by law, the United States of America agrees to transfer to the United States of Brazil and the United States of Brazil agrees to accept those articles which are or will be available to the United States of America for transfer to the United States of Brazil out of articles that were in inventory or procurement in the United States of America prior to September 2, 1945, for the purpose of providing defense aid under the Act of March 11, 1941, to the United States of Brazil, but were not transferred prior to the date of the signature of this Agreement.

ARTICLE III

The United States of Brazil agrees to pay the United States of America for the articles transferred under Article II hereof at a time and in an amount

¹ Incorporated in settlement arrangement effected by exchange of notes at Washington Apr. 15, 1948.

² 55 Stat. 31.

determined as provided in Article III of the Agreement between the United States of America and the United States of Brazil on the subject of defense aid dated March 3, 1942.³ It is understood that accessorial charges, inland and ocean freight and other expenses connected with the transportation to the United States of Brazil of the articles transferred will be paid by the United States of Brazil.

ARTICLE IV

Without limitation upon the provisions of Article II hereof, it is agreed that the approximate value and the general categories of the articles to be transferred hereunder are as follows:

Industrial equipment	\$1,014,000
Air Forces equipment	137,000
Ordnance equipment	898,000

ARTICLE V

It is agreed that the articles transferred to the United States of Brazil under this Agreement shall not be retransferred to the Government of any third country without the consent of the President of the United States of America.

ARTICLE VI

It is agreed that transfers under this Agreement and articles so transferred are further subject to the provisions of Article VII of the Agreement between the United States of America and the United States of Brazil dated March 3, 1942.

ARTICLE VII

The provisions of this Agreement shall not apply to articles covered by requisitions calling for full cash payment by the United States of Brazil or to articles requisitioned under Brazilian Project Number 4 for the airplane engine factory at Xerem.

ARTICLE VIII

This Agreement does not constitute a final settlement of the terms and conditions upon which the United States of Brazil has received aid under the Act of March 11, 1941, except for the articles made available under the provisions hereof.

ARTICLE IX

It is understood that the articles comprising the category "Ordnance equipment" referred to in Article IV hereof are incomplete and that their com-

³ *Ante*, p. 910.

pletion is not contemplated under the terms of Article II hereof; nevertheless the United States of America agrees to undertake the completion of the said articles at the option and expense of the United States of Brazil.

ARTICLE X

This Agreement shall take effect as from this day's date.

DONE in duplicate, at Washington, this 28th day of June, 1946.

For the United States of America

CHESTER T. LANE

CHESTER T. LANE

*Deputy Foreign Liquidation Commissioner
Department of State*

For the United States of Brazil

Col. JOÃO VALDETARO

Colonel JOAO VALDETARO

Chief of the Brazilian Military Commission

H. BAPTISTA COELHO

Commander HEITOR BAPTISTA COELHO

Chief of the Brazilian Naval Commission

JOSÉ V. DE F. LIMA, Ten Cel Ar

Lieutenant Colonel JOSE VISENTE DE FARIA LIMA

Chief of the Brazilian Aeronautical Commission